

Montana Public Service Commission

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September 8, 2008—For Immediate Distribution

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PSC Evaluating NorthWestern's Colstrip 4 Proposal

The Public Service Commission (PSC) will hear testimony this week on NorthWestern Energy's (NWE) proposal to place the company's 222 megawatts of power produced at Colstrip Unit 4 in rate base. The September 10 hearing begins at 9:00 am in the PSC offices and may extend another 1-2 days, depending on how long it takes to cover all of the issues in the contested case.

If the PSC does not approve a rate base plan, NWE will likely sell their ownership of Colstrip 4 power to Bicent Power Co. for \$404 million. Right now, NWE uses half of their Colstrip 4 power--most which is priced considerably below market at \$35 per megawatt hour--as part of its portfolio of electricity sold to Montana customers.

The hearing can be viewed live via the Internet on the PSC's website at http://psc.mt.gov/eDocs/#Calendars and will also be archived for viewing later on the same site. The Commission's office is located at 1701 Prospect Avenue in Helena. Complete text of NWE's proposal is on the company's web site at http://www.northwesternenergy.com/documents/Colstrip/colstrip4filing.pdf.

Made up of 5 elected commissioners, the PSC works to ensure that Montanans receive safe and reliable service from regulated public utilities while paying reasonable rates. Utilities regulated by the PSC generally include private investor-owned natural gas, electric, telephone, water, and sewer companies. In addition, the PSC regulates certain motor carriers, and oversees natural gas pipeline safety and intrastate railroad safety.